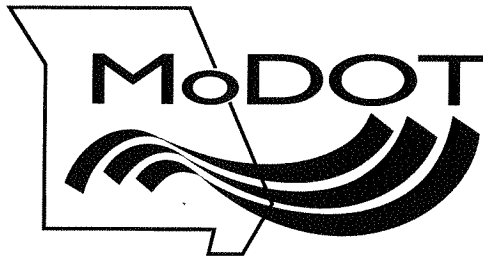


*Missouri
Department
of Transportation*



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Mr. Barry Orscheln
Chairman
Missouri Highways and Transportation Commission

Dear Mr. Chairman,

I hereby tender my resignation as director and chief executive officer of MoDOT to be effective June 1, 2004. This was an exceedingly difficult decision because the nearly five years I have spent leading this organization have been among the most challenging, and sometimes rewarding, years of my life. In my previous career I had the privilege and honor of commanding some of America's finest men and women in various units and at various locations around the globe, but I have never been associated with an organization whose contributions to society I valued more than those of the dedicated employees of MoDOT.

I believe my work has been important in guiding the department toward the credibility-building move of taking better care of our \$65 billion transportation system as a top priority. Working with the public and the commission, we changed the distribution of transportation funds to a fairer, more objective system, and I led the department in developing the partnership with our federal congressional delegation that promises to bring back more federal funding for Missouri than the state ever received before.

MoDOT is an exceptional organization filled with exceptionally talented and conscientious employees at every level. When I arrived here the organization was embroiled in controversy because of the failure of the infamous 1992 Plan. Criticizing MoDOT often became the sport of choice of citizens who were disappointed over projects they had been promised but had not received.

Politicians from both parties found it easy to criticize MoDOT as an organization while praising individual MoDOT employees. There were serious problems with the way the organization responded to both the public and the public's elected representatives. While not intentionally being deceitful, the organization was still guilty of making promises we could not keep because of sloppy or uncoordinated staff work. There were serious problems with the way the organization estimated the cost of future projects, and current projects were frequently behind schedule and over their estimated cost.

Our mission is taking care of and improving Missouri's transportation system.

I believe I can say without contradiction that we have changed many of those unfavorable things to ones that reflect credit on our great employees and the foresight of the commission. We now respond instantaneously with accurate answers to hundreds of thousands of inquiries. Where we cannot respond instantly, we still respond within five days over 98% of the time. We have fixed our problem in estimating costs of projects, turning a problem into a strength. We are now rated by the Federal Highway Administration as the best department of transportation in the country in estimating costs of projects. We have kept our promises over the last four years by delivering promised projects totaling more than \$2 billion within one third of one percent of estimates, a truly outstanding record.

Under my leadership we have better trained supervisors who help make our workers more efficient. Much work remains to be done in this area, but we are on the right track. We have greatly increased our emphasis on customer service, and we have made conscientious efforts to "listen" to our customers so that we can provide as much of what they want and need as possible within our funding limits. We have made tremendous gains in the public's understanding of our need for additional funding.

I am proud of the accomplishments of MoDOT on my watch, but as I review where we have been and what we have accomplished, I realize it is not enough. I have fiercely defended MoDOT, sometimes invoking criticism for so doing from those who found it convenient for their own purposes to blame an organization for past missteps even after those missteps had been corrected.

The legislative response to our annual accountability report on November 19 was by far the most positive of any...ever. I believe we have made great strides toward restoring the credibility that was lost as a result of the 1992 Plan debacle. But again, as I reflect on the situation that confronts our state, I realize that great strides alone don't accomplish what needs to be done.

The Blue Ribbon Panel called for reorganization of senior management at MoDOT in ways that the citizens of Missouri would perceive as "a New Day dawning". I am proud of my accomplishments with this organization, but I have concluded that the agency could benefit from new leadership.

Thanksgiving week for me was one of prayerful, and sometimes painful, introspection. I have poured my heart and soul into MoDOT. I have lived and breathed transportation issues for five years. I will never regret the friendships I have made here, and I would be remiss if I did not thank both you and Vice Chairman Ollie Gates for the strong leadership you have demonstrated for transportation in Missouri and for the strong friendships you have provided for me and my family.

I firmly support the commission form of governance. The citizens of Missouri, through their constitution, created the commission to be "citizen watchdogs", to the point of being the approval authority for everything MoDOT does. Being a commissioner is challenging. On one hand, you are expected to closely question MoDOT recommendations and actions. On the other

hand, by approving MoDOT actions, you become a member of the team. I commend all the commissioners who have faithfully served our state.

I know that "six months notice" is not unusual for a CEO to give. I feel it would be irresponsible to not lead MoDOT through the next legislative session. I have several important leadership roles at the national and state levels that should not be abandoned. Switching leaders abruptly at this time could severely set back other needed changes such as the other recommendations made by the Blue Ribbon Panel. While I am prepared to "hand over the reins" as soon as the commission can identify my replacement and get him or her on board, I want to assist in the transition in any way I can. I do not wish to be a "lame duck". In the military, a commander was fully in charge in every way until the moment the flag was passed to his or her replacement. Until that time arrives, I will continue to do my duty.

Thank you for your kindness and support.

Very Respectfully,


Henry Hungerbeeler